



# AZ Medicaid Outpatient Workgroup Meeting

September 20, 2005, 1:00 p.m. – 2:00 p.m.

AHCCCS 701 E. Jefferson St. – 3<sup>rd</sup> Floor - Gold Room

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**Meeting Hosted By:** Lori Petre

**Attendees:**

*(Based on sign-in sheets)*

**ADHS**

*Jerri Gray*

**AHCCCS**

*Barbara Butler*

*Christi Coppedge*

*Cia Fruitman*

*Cynthia Barker*

*Dora Lambert*

*Lori Petre (EP&P)*

*Mike Upchurch*

*Peggy Brown*

**APIPA**

*Sharon Zamora*

**Care1st**

*Marlene Peek  
(teleconference)*

**CMDP**

*Amanda Wath*

**MCP/Schaller Anderson**

*Walter Janzen*

*Joseph Pinelli*

*Johanna Wood  
(teleconference)*

**Northern Arizona**

*Josie Vaughan  
(teleconference)*

**Pima Health Systems**

*Marcia LeBlanc  
(teleconference)*

*Kathy Steiner  
(teleconference)*

**Pinal Co.**

*Wally Ross (teleconference)*

**Tucson Med. Center**

*Christina Brown  
(teleconference)*

**UHC**

*David Eder (teleconference)*

**Yuma Regional**

*Luz Valle*

**1. Welcome (Lori Petre)**

Since we are now in production as are most of you. In theory, this should be the last Outpatient Meeting, unless it's decided we need an additional special meeting in the future. It's unfortunate not all Health Plans are represented here today, as we do have a couple changes to go over with you.

Directly behind the agenda are the meeting minutes. Please contact us with any corrections, comments or clarifications you think need to be made.

**2. Current Status – AHCCCS and Each MCO (Lori Petre)**

AHCCCS FFS has implemented the new Hospital Outpatient Fee Schedule methodology, although we are still working on a couple of areas. Including Encounters testing, which we hope to complete shortly.

We are also still working on the revisions to the Fee For Service (FFS) Remittance Advice. We do have an approved design. We are in the programming stages, and will be testing internally, and then releasing to the hospitals.

**ACTION ITEM: Status from Mike concerning FFS Remittance Advice**

Management Reports are an ongoing consideration, as we review what is being reported for production claims. Specific areas and or items are being evaluated and monitored. Ongoing Management Reports are being issued on an as needed basis.

### **3. Next Steps (Lori Petre)**

Although this project has technically concluded, we will continue to communicate with this group, and monitor and maintain the workgroup email address and tracking functions that we have through the end of the calendar year. As Outpatient questions arise, please continue to send them into the workgroup for follow up in this manner through the end of the year.

As mentioned we are still working on the Remittance Advice, testing and getting it out to Hospitals.

We are also doing a great deal of sampling of the data being received and passed through the system. We are looking for patterns, things we may have inadvertently missed or not accounted for in hospital billing behaviors, in order to address these. We are running as needed Reports right now that look at claim lines where more was paid than was charged for example. We are also looking at same day admit/discharge claims, same day admit/transfer claims, any claims that have units in excess of (1) for certain types of services. We are looking at each claim that fails the HCPCS/Rev Code relationship editing, to make sure that the tables are up to date and account for all situations. Cia, Sara, and the Claims Management team are defining the Ongoing Management reports, and whether each report should be run weekly, or monthly. We want to also look at Claims and Encounters together.

One area under evaluation is procedure code service limits. There may be changes resulting from this. As was mentioned in previous meetings, these tables would be updated as we became more familiar with the reality of the data coming in.

Cia Fruitman – There may be also be additional changes to the CCI tables, and we want to reiterate the importance of reviewing these and all table extracts on a regular basis. We expect to update them at least quarterly, if not more often.

Lori Petre – We will be discussing the tables a little more, including which ones in particular will need regular reviewing.

### **4. Documentation Status (Lori Petre)**

At our last meeting, we had one last chapter of the AHCCCS FFS Provider Billing Manual that we would be updating. A copy of this update, representing the changes to the remittance advice to include enough detail on outpatient claims for the providers is included in your package. It has not been released to the hospitals yet, as we do not yet have a timeline as to when the hospitals will begin to see the changes. It will probably be released to the hospitals in the next few days. We will send it to you as well.

### **5. Production Claims Issues/Clarifications Noted by AHCCCS (Lori Petre)**

As mentioned, we are doing a lot of QC. If you should find claims where you see something that does not look right, please let us know. Please remember to send these concerns to the workgroup, so that we may share it with the entire group.

In your package you will find two single sheets, which cover some recent changes related to O/P. The first has to do with multiple surgeries discounting, with multiple units. At this time, these fail to discount after the first unit if there are multiple units within a single claim line. This is being corrected, for both claims and encounters, both 1500s and Outpatient UBs. This documentation included in your package simply shows what we've been doing, and what the proposed correction will be. We will send out an update as to how soon you can expect this change to be first in Test and subsequently in Production. Again, this will be for both the 1500s and Outpatient UBs.

This change concerns clarifications to the Same Day Admit/Discharge and Same Day Admit/Transfer Rules, by incorporating the use of appropriate patient statuses. We were very careful to consider that Claims and Encounters need to work the same way. So for consistency, we will again be changing both systems.

So, for Same Day Admit/Transfer claims as defined by the patient status codes, for Dates of Service 7/1 and after, the transferring hospital will be reimbursed in accordance with the Outpatient Fee Schedule in all cases. We will disallow any Room and board charges billed and reimburse ancillary charges only.

For Same Day Admit/Discharge claims as defined by the patient status codes, if the claim is not qualified as a maternity or newborn stay, it will fall under the Outpatient Fee Schedule. Claims qualified as either a maternity or newborn stay will continue to apply the lesser-of logic currently in place.

These patient status codes will be tableized. You will begin receiving a new table in your REF03 when these changes are completed.

Please email us any questions you may have related to either of these changes.

## **6. Reference Data (Lori Petre)**

Included in the package is the reference table matrix which you have received previously. The format is very similar to previous releases of this document; however, we've added a column for frequency of updates. Those frequencies noted are very general frequencies. A table may be updated more often than is listed here, and that is why we recommend you review the tables at least quarterly, if not once a month.

Cia Fruitman – Some of these changes come from outside sources, as well, and we can't always guarantee you'll be notified specifically about changes which have occurred. That's why it's very important you do review the tables more than just once a year.

Lori Petre – We try to notify you as often as possible if the tables are updated, especially the RF797 and RF773. We also will try to include these updates in the Encounters Communications. However, it is still important that you review these tables as well. Be aware for example that there will likely be changes due to the Limits analysis discussed earlier. The CCI tables and the Procedure Codes Tables will be updated at least quarterly.

HP – Our developers are confused about the bundled rates drivers. Previously this table was only to cover surgeries. Will the vision codes, etc. be considered bundled?

Lori Petre – My understanding is that there are a handful of codes that are in the middle of the surgery range that may be changed, but no changes outside of this range have been noted thus far. There is however an open Action Item addressing that concern.

HP – The ones we are concerned with are the 9000 codes, some that are diagnostic.

Lori Petre – They are doing 100% QC on Medicare indicators and the how the rates were set.

## **ACTION ITEM: Validate Surgical Bundling Codes**

Lori Petre – If there are changes made to this table we will send out the updated reference extract right away rather than waiting for the next scheduled run.

## **7. OPEN ACTION ITEMS (Lori Petre)**

We still have a handful of questions coming into the Workgroup. We have four questions open from the hospitals concerning claims payments not being processed by Health Plans properly, although they have not submitted any examples of claims or remittance advice relating to those complaints as of yet. If we do receive them, we will review them with Claims and the Health plans on what happened and what we can do. We are also tracking conversation strings regarding what Health Plans are doing concerning Outpatient processing. We encourage you to communicate these things to your Hospitals, as well.

## **8. ENCOUNTER TESTING (Lori Petre)**

Internally, our testing is ongoing. We are validating whether everything looks the way it should, and we continue to encourage the Health Plans to test, as well. We are monitoring production Outpatient encounters and checking the Quality Control on the claims processing. Any feedback we get from

you will help, please send it through the workgroup. Again, that will remain open through the end of the year for your convenience.

**9. FUTURE MEETINGS (Lori Petre)**

Again, this should be the last meeting with this group. However, we will still communicate with the group, broadcasting updates through Encounters Communications, the website, etc. We will include the minutes and all the documents on the website. The Workgroup email, again, will remain functional through the end of the year. Any suggestions for things to be posted to the website, or items you looked for but did not find, please do let us know.

Cia Fruitman – We just wanted to remind you that we are reviewing Medicare's Outpatient changes for next year.

Lori Petre – We will communicate these as far ahead of time as possible.

Cia Fruitman – We anticipate that we would not implement these any sooner than 10/1/2006.